Sectoral dynamics of the gender pay gap: An interdisciplinary approach

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Sectoral dynamics of the gender pay gap: An interdisciplinary approach

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Abstract

Studies have examined the effect of one or more dimensions of work organization on the gender pay gap (GPG), often for a given occupation or sector of activity. However, research has rarely addressed the institutional and organizational determinants of the GPG with a focus on their embeddedness across different contexts. This paper adopts an interdisciplinary approach to analyse how the regulation of work organization in collective bargaining is translated into practices shaping the GPG in different sectors in Spain. By comparing the chemical industry, financial services industry and elderly care, this paper reveals how different constellations of intertwining inequalities take shape at the sectoral level. The findings suggest that collective bargaining strategies to close the GPG should tackle context-specific problematics but would also benefit from a reform of key cross-cutting issues in statutory regulation.

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Introduction

The gender pay gap (GPG) constitutes one of the most synthetic and mediatic indicators of the persistence of gender inequalities in the labour market, and its definition and measurement are often the objects of controversy. Early formulations referred to discrimination in pay to describe situations of unequal remuneration for equal jobs (Abel Kemp & Beck, 1986). Later, the definition was broadened to include situations of unequal remuneration for jobs of comparable worth (Acker, 1989; Steinberg, 1990). Authors have also used indirect discrimination to refer to inequalities that are not the result of a situation of direct discrimination but a consequence of women’s situation of systematic disadvantage in employment (Olsen & Walby, 2004). Indirect discrimination thus captures the effects of occupational segregation, of women’s presence in less-valued activities and positions, their reduced access to training opportunities or promotions, or the disadvantages deriving from a lower time availability for employment. From this perspective, the GPG appears as a synthetic expression of women’s situation of disadvantage in the labour market, intimately related to key aspects of the organization of work.

Research has shown how organizations vary in the practices and processes used to achieve their goals and how this in turn produces gender, as well as class and race, inequalities (Acker, 2006). These practices include, among others, job evaluations and the construction of professional classifications, processes of recruitment and promotion, pay structures and systems, and the organization of working time. Existing studies of the GPG have examined the effect of one or more of these dimensions of work organization (WO), often in a given profession or activity. In turn, institutional approaches have addressed the incidence of different wage-setting mechanisms and structures of collective bargaining (CB), but they have not analysed the regulation of specific facets of WO in collective agreements (CAs). This paper attempts to fill these gaps in the literature by comparing different sectors of activity (the chemical industry, financial services and elderly care services) in the Spanish context. The paper adopts an interdisciplinary approach, integrating both sociological and law perspectives to address a) the regulation of WO in statutory regulation and CAs, and b) how this regulation actually translates in terms of practices across different sectoral and organizational contexts. Do different constellations of factors shape the GPG in different contexts? How does the regulation of WO intersect with the actual practices and strategies of labour force management? The focus on the activity sector is particularly pertinent in the Spanish context, given that its CB system pivots on sectoral, multi-employer agreements.

The paper is structured as follows. A first section reviews the literature to highlight the pertinence and novelty of an approach that examines the institutional and organizational determinants of the GPG in their
Sectoral dynamics of the gender pay gap: An interdisciplinary approach

embeddedness in different contexts. A second section describes the research design and strategy of case selection as well as the data and methods. The findings present each sectoral case study as a whole. Similarities across cases are drawn in the concluding section, which points out possible paths of intervention.

Institutional and organizational determinants of gender inequalities in pay

Traditional econometric analyses of the GPG have focused on measuring the differences between men and women's individual characteristics to quantify the explained and unexplained parts of such a discrepancy, following an approach that relegates gender to a sort of residual (Baudelot, 1995). This type of analysis disregards the knowledge generated by the sociological and industrial relations literature, which has highlighted how wages are the product of social, institutional and managerial forces with gender effects and not merely reflective of productivity differences (Rubery, Grimshaw & Figueiredo, 2005).

A number of studies have shown how different key elements of the organization of work significantly shape the GPG, revealing its multifaceted character. The analysis of the gendered nature of the social construction of skill and the undervaluing of women's work has a long tradition in the literature (Acker, 1989; Cohen, Huffman & Knauer, 2009; Grimshaw & Rubery, 2007; Huffman, 2004; Steinberg, 1990). Women's increased access to previously male-dominated occupations has been followed by new processes of segmentation and differentiation within those categories (Acker, 1991; Crompton & Sanderson, 1990). Research has also revealed gender biases in promotion processes based on seniority, long-hour cultures, or patronage and informal decisions made in 'boys' networks' (Bertrand, Goldin & Katz, 2010; Elvira, 2001; Rubery & Grimshaw, 2015; Wass & McNabb, 2006). Pay practices also tend to operate to women's disadvantage, through pay grading, seniority pay, supplements rewarding working time or features of typically male jobs, and merit- and performance-based systems (Davies, McNabb & Whitfield, 2015; Koskinen Sandberg, 2017; Rubery et al., 1997; Rubery & Grimshaw, 2015). Gender differences in hours worked, availability for employment, and career interruptions also result in gender inequalities in pay (Goldin, 2014; Leuze & Strauß, 2016; Noonan, Corcoran & Courant, 2005; Olsen & Walby, 2004). These studies either do not consider contextual differences or are context-specific, often focusing on professional, high-income occupations in law or finance (Acker, 1991; Bertrand, Goldin & Katz, 2010; Crompton & Sanderson, 1990; Noonan et al., 2005; Wass & McNabb, 2006).

More recently, research has addressed how the incidence of these factors may vary across contexts. The motherhood wage penalty is lower in occupations with greater autonomy, lower teamwork requirements and less competitive pressure (Yu & Kuo, 2017). Women lose more of their earnings due to minimum wage
and overtime violations, and this difference is largely explained by job and employer characteristics (Petrescu-Prahova & Spiller, 2016). Different workplaces value and reward long hours or lack of career interruptions differently because occupational characteristics make flexibility costlier in some sectors than in others (Goldin, 2014). The increasing prevalence of overwork and its rising returns are most pronounced in professional and managerial occupations, where the norm of long hours is deeply embedded in organizational practices and occupational cultures (Cha & Weeden, 2014). Grimshaw, Whitehouse and Zetlin (2004) revealed the complex interactions between pay systems and wage structures in shaping gender pay equality by comparing two occupations in Australia and the UK. Those studies suggest that variation in key areas of WO across contexts is related to different manifestations of gender inequality in pay. However, a comprehensive analysis of different configurations of factors across contexts is still very much lacking in the literature. Only recently, Bergmann, Scheele and Sorger (2018) analysed different factors shaping the GPG in the financial and human health sectors in Germany and Austria, showing that the sectoral level is of high relevance in shaping the GPG, even across countries.

In turn, institutional approaches have highlighted the influence of wage-setting mechanisms on the GPG, focusing particularly on the effects of CB institutions and processes cross-nationally. These studies generally agree that higher levels of minimum wages, more inclusive CB coverage, and more centralized and coordinated bargaining result in lower gender differentials in wages, especially as they favour more compressed wage distributions (Antonczyk, Fitzenberger, & Sommerfeld, 2010; Matteazzi, Pailhé & Solaz, 2018; McGuinness, Kelly, O’Connell & Callan, 2011; Rubery et al., 2005). However, the effects of wage-setting institutions are not univocal across national contexts and may produce differential effects along the wage structure (Rubery et al., 1997). In Spain, to our knowledge, only one study has examined the effects of CB on the GPG. That study focused on the differences across levels of bargaining, showing that national and regional agreements seem to produce more compressed wages and less discrimination at the bottom end of the distribution, while women in the upper part appear to be more protected under firm-level agreements (Felgueroso, Pérez-Villadóniga & Prieto-Rodriguez, 2008). Variations in wage-setting mechanisms across sectors, organizations and occupations are also likely to have differentiated impacts by gender and for different groups of women (O’Reilly et al., 2015; Rubery et al., 2015). Differences in practices may be a reflection as well as a cause of gender inequalities (Rubery et al., 2005), and this remains an empirically underexplored issue. Indeed, scholars have called for more fine-grained analyses of specific sectors and groups of workers, which would account for the different and specific factors that hinder the reduction of existing gender pay gaps (O’Reilly et al., 2015). Grimshaw, Bosch and Rubery’s (2014) study provided interesting evidence in this direction, revealing through sectoral case studies in different countries the complex intersections of minimum-wage policies and CB systems that shaped bargaining strategies and pay-equity outcomes. However, no attention has yet been paid to the effects of regulation on specific areas of WO across contexts in shaping the GPG. The paper aims to fill these gaps in the literature.
The paper’s main goal is to analyse to what extent different constellations of factors shape different expressions of the GPG across contexts and how this is embedded in the regulations and practices of WO. The double focus on regulation and practice explains why the paper uses the sector as a unit of analysis. The structure of the CB system in Spain provides a significant degree of homogeneity at the sectoral level in key areas of WO with respect to countries with different institutional settings. Despite recent regulatory reforms towards disorganized decentralization (López-Andreu, 2018), CB in Spain still pivots on sectoral, multi-employer agreements. More than 60 per cent of covered workers have their wages set by regional sectoral agreements, while national-level bargaining affects nearly 30 per cent and firm-level bargaining less than 10 per cent of workers (Felgueroso, Pérez-Villadóniga & Prieto-Rodriguez, 2008). Moreover, CAs are automatically extended to all workers at the level at which they are negotiated, regardless of their union status, which explains the high coverage rate of CB in Spain (above 75 per cent) (López-Andreu, 2018).

A main contribution of the paper is to tackle the configuration of different constellations of factors across contexts, whereas previous studies have focused on comparing a single or few dimensions, either a-contextually or looking at single contexts. Our work is inspired by Acker’s (2006) concept of inequality regimes, understood as interlocked practices and processes that result in continuing inequalities in work organizations. Similarly, Koskinen Sandberg’s (2017) uses ‘intertwining inequalities’ to refer to several types of complex structures, processes and practices that are mutually reinforcing in producing and reproducing gender inequality in wage determination. This study addresses how these intertwining inequalities take shape at the sectoral level, examining the differences among the chemical industry, financial services and elderly care. A second contribution is the adoption of an interdisciplinary perspective, combining law and sociological approaches to simultaneously analyse how WO is formalized in CB and how this regulation actually translates in terms of practices shaping the GPG. Third, the paper is also innovative in that it analyses the effects of the regulation of key areas of WO instead of focusing on the structure of CB. Such an approach has not yet been applied to the study of the GPG, particularly in the Spanish context.

Research strategy, data and methods

Strategy of case selection and main characteristics

The three chosen sectors are representative of most different contexts of women’s employment. Based on exploratory quantitative data and qualitative information, we selected the chemical industry, financial services, and elderly care services, as delimited by their respective CAs. Table 1 provides summary characteristics of the selected sectors and reflects some of their internal heterogeneity.
The chemical industry is a manufacturing sector with a skilled labour force, characterized by stable, full-time employment and high average wages. It has the most compressed GPG within the manufacturing industries, albeit with some differences among subsectors, just as there is heterogeneity in the subsectors’ gender composition. CB has a long tradition in this sector, which is highly regulated and has comprehensive coverage under the national sectoral agreement (and often additional firm-level agreements). Only the manufacturing of rubber and plastic is more fragmented, with some regional sectoral agreements.

The core of financial services (banking) constituted our second case study. Table 1 provides some additional information on neighbour sectors (insurance and auxiliary activities) for reference. The financial services are a gender-mixed, skilled, services sector, with high salaries and stable, full-time employment. The GPG is below average in the core financial services, which have undergone a major process of externalisation of tasks to ‘auxiliary activities’ that are notably female-dominated, worse paid, have higher rates of temporary and part-time employment and a much higher GPG. Coverage by the national sectoral agreement is virtually total in financial services, which also has a long tradition of centralized CB, which is often supplemented by firm-level agreements. Insurance and auxiliary activities are covered by other CA and therefore were not the object of our analysis.

Third, elderly care services are representative of a highly feminized, precarious sector with low wages, high temporary and part-time employment, and a GPG that is above average. In this case, we studied the two subsectors that represent the bulk of employment in the sector: residential and domiciliary care. Although the boundaries of this sector as delimited in the CA do not correspond strictly to the definitions of the standard classification of economic activities (NACE), the categories in table 1 can be broadly used for their characterization. The sector has been traditionally characterized by the difficulties of CB, and only recently has a national CA managed to subsume all activities under a single framework. Nonetheless, substantial fragmentation persists, with the national CA coexisting with several regional agreements, as well as public-private heterogeneity in wages and employment conditions.
### Table 1. Main characteristics of selected sectors

<table>
<thead>
<tr>
<th>SECTORS</th>
<th>SUBSECTORS</th>
<th>AVERAGE WAGE (monthly earnings in €)</th>
<th>GENDER PAY GAP (difference male-female earnings as % of male earnings)</th>
<th>GENDER COMPOSITION (% women employed)</th>
<th>% PART-TIME EMPLOYMENT</th>
<th>% TEMPORARY EMPLOYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical industry</td>
<td>Manufacture of chemicals</td>
<td>2284.69</td>
<td>15.01</td>
<td>30.11</td>
<td>7.70</td>
<td>8.73</td>
</tr>
<tr>
<td></td>
<td>Manufacture of pharmaceuticals</td>
<td>2992.95</td>
<td>10.04</td>
<td>48.33</td>
<td>2.67</td>
<td>6.84</td>
</tr>
<tr>
<td></td>
<td>Manufacture of rubber and plastic</td>
<td>2031.54</td>
<td>22.39</td>
<td>19.71</td>
<td>7.45</td>
<td>13.11</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>Financial services</td>
<td>3222.87</td>
<td>13.93</td>
<td>49.42</td>
<td>1.42</td>
<td>1.97</td>
</tr>
<tr>
<td></td>
<td>Insurance and pension funds</td>
<td>2670.21</td>
<td>24.83</td>
<td>55.09</td>
<td>11.15</td>
<td>4.27</td>
</tr>
<tr>
<td></td>
<td>Auxiliary activities</td>
<td>1818.77</td>
<td>36.94</td>
<td>67.93</td>
<td>25.34</td>
<td>9.30</td>
</tr>
<tr>
<td>Elderly care services</td>
<td>Assistance in residential institutions</td>
<td>1209.22</td>
<td>14.41</td>
<td>85.14</td>
<td>26.02</td>
<td>17.74</td>
</tr>
<tr>
<td></td>
<td>Social work activities without accommodation</td>
<td>1197.87</td>
<td>27.32</td>
<td>74.03</td>
<td>46.20</td>
<td>32.78</td>
</tr>
</tbody>
</table>

Source: Structure of Earnings Survey (SES), 2014
Data and methods

Research methods included an analysis of sectoral CA, expert interviews with key informants (mainly trade union officials) and focus groups with employees. The fieldwork followed a top-down logic, from the national level (Spain), through the regional (basically Catalonia) and down to the level of companies based in the metropolitan area of Barcelona (table 2). Access to the field was facilitated by the secretariat for gender equality of a major trade union. Successively, the first informants provided access to other relevant informants in their branches, who in turn facilitated access to the companies and human resources managers. Participants in focus groups were also recruited among trade union members. The data collection followed the same basic structure for the different sectors, but it was adapted to their specificities.

At the national level, we reviewed the CAs applied in the selected sectors and interviewed members of the negotiating tables or other national trade union officials with expert knowledge of the sectors. At the regional level, we conducted interviews with trade union officials and focus groups with employees in financial and elderly care services. The heterogeneity of the chemical industry, both in terms of branches and of departments, made it impossible to find a reduced number or profiles that could be representative of the whole sector. For this reason, we did not conduct focus groups for this sector but instead conducted more expert interviews. We also analysed the regional agreement that regulates domiciliary services in Catalonia, which coexists with the national CA for care services to dependent persons. At the company level, we conducted interviews with worker representatives and human resources managers. The companies included a) a large pharmaceutical company and a medium-sized enterprise producing plastic components; b) two large financial companies; and c) a large company providing domiciliary care services.

We also interviewed government officials of a large city where this company operated. We were not able to interview human resources managers in the financial services sector.

We conducted a total of 27 expert interviews with 42 informants and 5 focus groups with 32 participants. Interviews and focus groups were conducted by the lead author of the article, at the premises of the trade union organization or at those of the companies involved. The interview and focus group guides were structured following the main areas of WO with potential influence on the GPG: a) selection and recruitment; b) job evaluation and professional classification; c) promotion processes; d) pay structures and systems; e) working time. Interview and focus group guides were adapted to the specific characteristics of each sector. A first analysis of CAs allowed us to introduce specific questions for the different cases. Guides were continuously refined by building on the information collected in previous interviews, allowing further deepening and concretization. This knowledge was subsequently used for another round of analysis of CAs. Cases (sectors) were first analysed as entities, and then cross-sectional analyses were performed to identify the similarities and differences between them.
### Table 2. Synthesis of fieldwork

<table>
<thead>
<tr>
<th></th>
<th>Chemical industry</th>
<th>Financial and insurance activities</th>
<th>Elderly care services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National level</strong></td>
<td><strong>XVIII general collective agreement of the chemical industry</strong></td>
<td><strong>XXIII collective agreement of the banking sector</strong></td>
<td><strong>VI national collective framework agreement of care services to dependent persons and development of personal autonomy promotion</strong></td>
</tr>
<tr>
<td></td>
<td>1 Interview with CA negotiator + 1 interview with other national trade union official</td>
<td>1 Interview with CA negotiator + 1 interview with other national trade union official</td>
<td>1 Interview with 2 CA negotiators + 1 interview with 3 other national trade union officials</td>
</tr>
<tr>
<td><strong>Regional level</strong></td>
<td>3 Interviews with 8 trade union officials</td>
<td>2 Interviews with 3 trade union officials</td>
<td><strong>IV Collective agreement of domiciliary services companies of Catalonia</strong></td>
</tr>
<tr>
<td><strong>(Catalonia)</strong></td>
<td></td>
<td></td>
<td>1 Focus group with male employees (7 participants) + 1 Focus group with female employees (7 participants)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1 Interview with domiciliary care trade union official +1 Interview with residential care trade union official</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2 interviews with trade union officials of other regions (Valencia &amp; Castilla La-Mancha)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2 Focus groups with domiciliary care employees (7 and 4 participants) + 1 Focus group with residential care employees (7 participants)</td>
</tr>
<tr>
<td><strong>Company level</strong></td>
<td>4 Interviews with 6 trade union officials + 2 interviews with 3 human resources managers</td>
<td>Interviews with 4 trade union officials</td>
<td>1 Interview with trade union official + 1 interview with 2 human resources managers + 2 interviews with 2 local government officials</td>
</tr>
</tbody>
</table>

**Notes:**
- CA = Collective Agreement
Findings

A GPG was identifiable, to different degrees, in every one of the analysed sectors and could be related to horizontal and vertical segregation, the undervaluing of typically female jobs, gender biases in recruitment, promotion and pay practices, and differential availability for employment deriving from the unequal division of domestic and care labour. While each of these factors operates in every one of the analysed sectors, their influence varies in magnitude and in how it is materialized. These structural gender inequalities are embedded in specific contexts of WO, regulated differently through CB. Certain factors gain more importance and fuel each other in a specific manner in a given context. To illustrate this point, each case is first presented as a whole in the findings, as we examine the key areas of WO. Table 3 presents a synthesis of the main findings. The similarities across cases are then addressed in the discussion.

The chemical industry: segregation and discretion escapes regulation

The GPG in the chemical industry is a matter of both horizontal and vertical segregation. Women are more represented in some departments and jobs within the companies and are also promoted less often to positions of command. There are also significant levels of discretion in the allocation of supplements or variable retributions. This happens despite the fact that the CA of the chemical industry is probably the most advanced in Spain from a gender perspective. This sector provides illuminating examples of how practices can contour regulation.

The CA provides a systematization and detailed definition of professional groups, incorporating a gender perspective. Responsibility is measured not only in economic terms but also in terms of staff management and customer handling. The CA also considers skills and efforts in task performance, as well as working conditions. Given that such elements can show significant variation across companies, the CA includes a model of job evaluation so that the adscription of each job post to a professional group can be conducted at the company level. Such a model is frequently not applied, with companies relying largely on the inertia of previous classifications, or it is not applied correctly, so that classifications continue to undervalue women’s skills and efforts. The interviews provided several examples of such undervaluing, particularly in production (minute, repetitive work, or even physical efforts of female-dominated jobs), resulting in a classification of typically female jobs in lower professional groups.

The recruiting process is regulated in detail in the CA, which favours the participation of worker’s representatives; the CA obliges the company to provide detailed information, and it establishes the requirement to publicize the job offer internally. However, it still does not specify the selective criteria beyond the need to be objective and neutral, and the participation of the workers’ representatives in the selection commissions is not institutionalized. Horizontal segregation in access to positions persists in practice, with women being most present in base positions within production lines, for instance, while men
are overrepresented in logistics or maintenance. These jobs may be in the same professional group, but the latter have work-related supplements attached that result in inequalities in pay.

With respect to promotions, the CA establishes a system of competition based on objective criteria (degree or qualification, knowledge of the position, professional history, having performed a function of the superior professional group, and specific tests) and obliges the workers’ representatives to rule on the rating system and to participate in the commission deciding on the promotion, with voice but no vote. However, vertical segregation persists, with women being less represented in middle management and directive positions. This situation can largely be explained by the expansive application of the concept “position of command” or “position of trust”, which are excluded from the requirements of the CA regarding recruitment and promotion, thus significantly limiting the practical incidence of these regulations. The CA reserves the possibility to make free appointments for certain positions, under the pretext that such posts must be especially deserving of the company’s trust given their position in the organigram. In practice, outside of manual operators, almost any new position to be filled is defined as a position of trust or command, which enormously increases the company’s margin of discretion.

The payment structure established in the CA is significantly complex and is a result of a decade-long exercise by the negotiators to integrate into a single structure the multiple supplements and pluses existing across subsectors and companies. These have all been merged into a single concept, plus agreement (plus convenio), which is a general retribution for all employees of the same professional group working in any given company. Any amount received for a regular working day and regular work that exceeds the minimum guaranteed wage and the plus agreement, or any existing supplements rewarding seniority, shift work, night work, or hazardous working conditions, or other job post supplements, constitutes the employees’ personal supplement.

The subsumption of pluses under a single category has probably had a positive effect on the reduction of the GPG in that it has homogenized wage structures, as argued by trade union officers. However, inequalities appear to slip through the personal supplement, which is often used at the employer’s discretion as a sort of incentive, to women’s disadvantage. These supplements increase as we go up the professional scale, for technical and intermediate command positions, and especially for directors and high executives, intertwining with the existing vertical segregation. This is also the case for incentives or performance-related pay. Moreover, job post supplements can also represent a source of discrimination, as they are frequently incorrectly used to reward certain employees and not to remunerate the particular and temporary conditions of performance in a given job post, as established in the CA. These findings are consistent with the figures showing that in the chemical industry, the GPG is mostly due to pay supplements and not basic wages. For instance, in the manufacturing of pharmaceuticals, the GPG for the basic salary was 1.77%, while it reached 30.68% in pay supplements. The CA includes the possibility of using a part of the gross mass to adjust for wage differentials among employees in the annual process of wage
increases by absorbing personal supplements and increasing the plus agreement. However, if and when applied, corrections effected through this mechanism are very small, creating a very long road to closing the GPG.

**Working time** does not appear to be a major concern for trade unions in this sector. The CA leaves to firm-level negotiation the possibility to establish measures for flexible working time whenever the conditions of WO should allow it. These measures tend to apply to technical, administrative or commercial departments and are rare in production plants. Part-time employment is virtually non-existent, although women continue to be the main beneficiaries of work-life reconciliation measures (leaves, working-time reductions). The CA provides some protection for the latter, in that the irregular distribution of working time cannot be applied to employees enjoying these measures, nor to pregnant or breastfeeding women.

Overall, the CA of the chemical industry, despite its limitations, provides some comparatively advanced tools to fight gender inequalities in pay. However, the complexity of these tools often makes them difficult to apply, and enforcement significantly depends on the presence and strength of trade unions at the company level. This sector is a paradigmatic example of a framework agreement recommending advanced measures of affirmative action in recruitment, training and promotion, which are rarely put into practice at the company level.

**The financial services: discretion and presenteeism**

The GPG in financial services is the product of the intertwining of vertical (and to a lesser extent horizontal) segregation, strong working time requirements (long working hours, presentist culture) and gender biases in variable retributions and discretionary extra payments. The national CA is manifestly less concerned with gender equality issues than in the chemical industry. The regulation of the key aspects of WO leaves a huge margin of discretion to management, negatively impacting women’s wages.

The CA establishes one single professional group, divided into 12 pay levels. Only some general criteria (level of qualification, degree of responsibility and autonomy in work performance) are used to distinguish between levels 1 to 8 on the one hand, and between levels 9 to 11 on the other. The contours delimiting each of the levels are completely blurry, and the lack of definition of functions opens the door to broad discretion for management in assigning pay levels. There is often a discrepancy between the functions performed and the pay level assigned, especially as employees cannot be deprived of their acquired pay levels if their functions change. As extreme examples of such a mismatch, informants mentioned previous branch or zone directors ousted for some reason to perform bank teller tasks, earning more than the current branch director. In general, women are classified at lower pay levels despite performing the same tasks as their male peers, a situation that is very much related to the characteristics of promotion processes.
The regulation of the recruitment process is virtually non-existent in the CA. The CA establishes three main tracks for promotion: a) by agreement between employee and employer; b) by decision of the company, if it entails an economic gain for the employee; c) by seniority, but only among the lowest levels (up to level 9). The norm endorses promotions occurring by the unilateral decision of the firm without establishing any predeterminate criteria. The employer’s margin of discretion is virtually unlimited, considering the lack of criteria for the evaluation and ranking of jobs within the only existing professional group. As a result, women are overrepresented in the lower categories, hitting the glass ceiling at levels 7 or 8. Moreover, the CA eliminated the exam-based promotion track recognized in previous agreements.

However, the exam-based systems had been developed in some firm-level agreements, which has allowed trade unions to enforce the maintenance of such a system in these companies, much to the managers’ discontent. In one of these cases, worker representatives have detected that more women than men are promoted through the exam-based system but then hit the glass ceiling at level 5, where this system no longer applies and promotions are based on unilateral management decisions. Moreover, positions to be filled are rarely announced internally. These are either directly filled through the external job market or changes are carried out internally without previous notice. Whenever they are published, the job offer rarely includes the wage or pay level. Additionally, as was the case for the chemical industry, there is an expansive use of the concept “position of trust”, reinforcing management’s margin of discretion. The findings also highlight the role of informal decisions in promotions, which take place in ‘boy’s networks’, often outside office hours and in informal spaces, operating to women’s disadvantage.

The relatively simple, objective and apparently neutral pay structure established in the CA (based on basic salary, extraordinary payments and seniority payments) is altered in practice by the unilateral establishment of incentive-based variable retributions and ‘voluntary wage improvements’. These payments are particularly important for the highest job levels (from 5 to 1) and within male-dominated departments or divisions (investment, wholesale or corporate banking), thus intertwining with the existing vertical and horizontal segregation. At the base of the companies’ job hierarchy, these payments can represent up to 10% of the total wage, but the share easily rises to 50% or more for management. Middle management (directors or subdirectors of company branches) in retail banking, whose wages largely depend on incentive-based variable retributions, exert enormous pressure on their subordinates to meet sales targets. Sales objectives and the system for the distribution of the incentives are not clearly defined, leaving a significant margin of discretion in their allocation. In some cases, objectives are even changed halfway through, when they are close to being reached. As one of our participants in a focus group stated, “The target of the target is for you not to meet the target”. In other divisions (wholesale, investment banking), objectives are even more difficult to objectivize and measure, as they may refer to “finishing a project” or even “being aligned with the bank’s values,” leaving the interpretation completely open to management’s discretion. In the case of “voluntary wage improvements,” these are not even necessarily performance-related payments and can be unilaterally assigned at the employer’s discretion.
This system of variable retribution is intimately related to the organization of working time. The regular working day regulated in the CA is from 8 a.m. to 3 p.m. However, the prolongation of working time has progressively become the norm and is very much embedded in organizational culture. In the context of restructuring of the sector following the economic crisis, marked by several mergers and considerable downsizing, employees are under increased pressures to improve performance and thus to work longer hours. Moreover, widespread digitalization is increasing pressure on the deregulation of working time, and consequently, the CA has introduced a voluntary split working day as well as the possibility to set different working schedules for certain positions (directors and their auxiliary staff, customer handlers or visitors).

Working long hours is generally an unwritten criterion for promotions, which clearly negatively impacts women, who tend to have lower time availability due to caring responsibilities. Prolongation of working time is also related to variable retributions. Pressure to meet the objectives not only emanates from management but also from co-workers, given that these objectives are often collective, set at the branch or division level. Staying after hours is a common practice, and being the first to leave the floor is often viewed negatively by peers. There are also judgemental attitudes towards employees taking leaves or reductions in working time, because objectives for the whole branch are not adjusted accordingly and thus need to be shared among the remaining employees. Paradoxically, instead of favouring a more efficient organization of work and greater autonomy in the management of the employee’s own working time, performance-related pay seems to reinforce a presentist culture. It is not clear that selling more products will be rewarded accordingly, as previously argued. In fact, incentives or ‘voluntary wage improvements’ often appear to reward time spent at work rather than the quality of work or the objectives achieved.

Employees in our focus groups seemed to be aware of the perversities of such a system. In all, it remains unclear whether the reason for working longer hours is to meet objectives attached to variable retributions, pressure from management or co-workers, or being aware that such behaviour is valued in terms of promotions. In any case, this long-hour culture puts women at a disadvantage.

In short, the GPG in financial services appears to be the result of an intertwining of broad management discretion, a long-hour culture and unilateral, non-transparent and gender-biased practices of promotion and pay. In this context, the comparatively compressed level of the GPG (13.93%) appears surprising. However, this figure is probably underestimating its real level because an important share of the salaries within the industry are set outside of the CA and thus likely not collected in the SES survey.

Elderly care services: a matter of undervaluing skills and effort and organization of working time

In elderly care services, an above-average GPG is attributable to the fact that the few men working in the sector are overrepresented in technical and managerial positions, while women are the bulk of direct care staff. Despite this vertical segregation, employees do not perceive the GPG as a problem but are more
concerned about the low wages of care staff. This finding reinforces an understanding of the GPG as a product of intersectoral undervaluing, i.e., of the low value attributed to care professions. The organization of working time is also a problematic issue, particularly in domiciliary care. The sector has been strongly hit by the economic crisis through so-called austerity measures. Privatization and budgetary constraints of local administrations put additional pressure on the wages of companies contracting with the public administration.

The national CA establishes qualifications, knowledge and experience as the main criteria for the definition of the professional classification. The weight of qualifications determines a steep separation between the technical group and the care staff. The two main figures of care provision in residential and domiciliary care (gerocultor and auxiliar de ayuda a domicilio) are included in the same professional group as administrative or maintenance assistants, drivers, cooks or cleaners. Looking at the functions attributed to these two categories reveals the extent to which the professional classification obviates the efforts and skills required to develop such functions as well the conditions of execution of the services. The lack of definition of functions and skills is very much sought after by employers in the sector, not only to maintain the low wages but also for reasons of polyvalence. One of the long-lasting fights of trade unions nationally has been for the separation of care staff and cleaning staff into two different professional groups. Employers have fought this possibility because it would prevent them from using care staff for cleaning purposes when needed, which is a common practice in the residential context.

The Catalan CA for domiciliary care presents some significant differences with respect to the national CA. The former distinguishes between two figures in different professional groups, one providing direct care and the other limited to cleaning, while the latter collapses both functions into a single category. These differences, combined with the higher wages and the lower working hours, explain the reluctance of the Catalan unions to integrate into the national CA. Nationally, the unions’ strategy to revalue these figures has been their professionalization through professional certificates. New professionals have higher training requirements, and those with a longer trajectory need to accredit their experience. This process has faced important limitations due to the pressures of the increasing unmet demand for labour. The expected improvement in the valuing and remuneration of such occupations has not been achieved.

With respect to recruitment and promotion processes, the national CA and regional CA share with the chemical industry and the financial services sector the lack of defined criteria and procedures. However, in addition to the possible biases in recruitment and promotion, the main problem in the sector is the lack of real promotion possibilities for most women. Some cleaners are promoted to care staff, with a wage increase of barely one hundred euros. They cannot advance any further because doing so would require a degree in nursing. The Catalan CA allows the promotion of care staff to ‘management coordinator’, the figure in charge of planning and coordinating the staff and services. Such a promotion entails a monthly
wage increase of barely thirty euros, which does not compensate for the psychosocial burden it carries, according to our informants.

The payment structure established in the national CA is very simple and only includes supplements related to seniority; work at night, Sundays or holidays; time availability and extra hours. The Catalan CA for domiciliary care sets a similar structure, organized around rewarding greater time availability. Such a structure disregards other conditions of work execution, which would facilitate valuing the emotional or psychosocial efforts, the physical efforts or even the exposure to health hazards of some of the key occupations in the sector.

Working time appears to be a key concern for employees in the sector, often above that of low wages. A heightened work intensity and lack of time to rest are shared complaints by care staff in domiciliary and residential services. In residential care, high carer-care recipient ratios lead to very short time slots to perform the required tasks. Residential care workers rush from user to user throughout their workday, just as domiciliary carers rush from house to house. In domiciliary care, a widespread use of part-time (amounting in some companies to eighty per cent of the staff) adds to the already low wages, making it very hard for these women to live on their wages. The widespread use of part-time work in domiciliary care is intimately related to the commissioning system established by local administrations, which sets hourly fees and determines each user's care package in given time blocks. Needs and demands of care recipients tend to concentrate in the morning and the evening, with some demand around lunchtime, which reduces the margin to organize work schedules. This leads to short, extended and fragmented work schedules for many workers, as well as to the occasional use of marginal part-time jobs to cover for gaps. Moreover, while it is true that employers are significantly constrained by the commissioning system, part-time is also used as a form of flexibility. A main reason for such an abusive use of part-time work is that employees have the right to a 15 (national agreement) or 20 (Catalan agreement) minute break once their working day exceeds 6 hours. Thus, employers may be interested in providing 30-hour contracts as a means of cost reduction. Both the national and regional CAs limit the use of part-time in similar terms. They establish that working hours of part-time employees cannot be split into more than two time slots and that part-time contracts with split working hours will have a minimal duration of 24 (national CA) or 25 hours (Catalan CA). Additionally, the Catalan CA improves the national CA, establishing a minimum of 20 hours for any part-time contract, with the exception of those constrained by the characteristics of the service. However, these regulations are not always respected, depending on the trade unions’ capacity for control and enforcement.

This is also the case for travel time, which should be computed, together with time spent in coordination work, as effective working time according to both CAs. The battle around travel time is not so much about whether it needs to be paid but about how to measure it. Employers defend the use of Google maps as an objective criterion, while unions and employees argue that this disregards the time it might take a highly
dependent person to open the door or an employee to go up the stairs of an old building without a lift. Not to mention the impossibility of stopping for two minutes to catch one’s breath after work that is often physically and psychologically demanding. Moreover, the time allocated by a local administration with tight budgetary constraints under austerity is often insufficient to cover the care recipient’s needs. Care staff are generally reluctant to leave their work unfinished when they detect unmet needs and often extend their services at the expense of their rest time or by extending their working hours.

Briefly, the GPG in the elderly care sector needs to be understood as a matter of undervaluing the skills and efforts of these professions. Additionally, several sources of unpaid working time can be detected in the sector, particularly in domiciliary care. The low pay and damaging working conditions explain the high staff rotation and undoubtedly negatively impact both the quality of service and workers’ well-being.

Table 3. Synthesis of findings

<table>
<thead>
<tr>
<th>Professional classification</th>
<th>Chemical industry</th>
<th>Financial and insurance activities</th>
<th>Elderly care services</th>
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<tbody>
<tr>
<td>Gender perspective in criteria for professional group definition</td>
<td>One single professional group divided in pay levels</td>
<td>Undervaluing of skills and efforts of female-dominated professions</td>
<td></td>
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<tr>
<td>Model for job evaluation at company level</td>
<td>Non-definition of functions</td>
<td>Non-definition of functions sought for by employer</td>
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<td>Limits in their application</td>
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<tr>
<th>Recruitment and Promotion</th>
<th>Regulated processes, but discretionary and non-transparent practices</th>
<th>Lack of regulation of processes, wide managerial discretion, lack of transparency</th>
<th>Limited promotion scales for women</th>
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<tbody>
<tr>
<td></td>
<td>Horizontal and vertical segregation</td>
<td>Expansive use of concept “positions of command” or “trust”</td>
<td>Few men in the sector overrepresented in technical or management positions</td>
</tr>
<tr>
<td></td>
<td>Expansive use of concept “positions of command” or “trust”</td>
<td>Strong vertical segregation</td>
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Table 3. Synthesis of findings
Sectoral dynamics of the gender pay gap: An interdisciplinary approach

<table>
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<tr>
<th>Pay structures and systems</th>
<th>Complex structure – Subsumption of bonuses under the concept <em>plus agreement</em> Biases in the abusive use of <em>personal supplements</em> and other concepts</th>
<th>Lack of criteria and transparency in variable retributions Unilateral voluntary wage improvements</th>
<th>Simple pay structure Supplements rewarding time availability</th>
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<tbody>
<tr>
<td>Working Time</td>
<td>Residual part-time Flexible working time arrangements in non-productive units</td>
<td>Long hours - Presenteeism</td>
<td>High work intensity Widespread part-time work in domiciliary care Unpaid work time (travel time, lack of rest, extension of working hours)</td>
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Discussion and conclusions

This paper adopted an interdisciplinary approach to analyse how the regulation of WO in CB translates in terms of practices shaping the GPG in different sectors in Spain. The findings reveal that different constellations of intertwining inequalities take shape at the sectoral level. In the chemical industry, the GPG slips through the cracks of regulation and is mainly the result of horizontal segregation, discretionary promotions and a gender bias in the assignment of personal supplements and other special payments. In financial services, management’s wide margin for discretion across all aspects of WO, particularly in promotions and pay, interweaves with the sector’s presentist culture. Elderly care reveals the undervaluing of care professions in a fully segregated context where the organization of working time is crucial. Briefly, certain factors are more important in some contexts than in others, and the way they are intertwined is context-specific. All sectors are undergoing significant changes under the pressures of technological change, economic competition or austerity measures, meaning that the picture described may change in the near future and not necessarily for the better.

Our findings show important similarities with Bergmann et al.’s (2018) study of the GPG in the financial and human health sectors in Germany and Austria. In financial services, they also find a very strong vertical segregation, and women are paid less within similar positions. The authors identify differences in pay between male-dominated jobs and female-dominated ones. They point to the key role of ‘old boy
networks’ and ‘informal mentoring’ among male colleagues, and they highlight individualized pay instruments as a main source of women’s disadvantage. There are also remarkable similarities with our findings in elderly care, although their study focused more broadly on the human health sector (Bergmann et al., 2018). They show the undervaluing of female-dominated tasks, for example, among assistants in medical and dental practices. Vertical segregation can also be identified, despite the overall level of feminization of the sector. The GPG is not perceived as a problem, and the focus of the unions is on the low wages of female-dominated occupations. Our findings also show parallels with Rubery et al.’s (2015) study of time management in domiciliary care in the UK. Their study reveals the repercussions of a time-based commissioning system on the organization of working time. In their study as in ours, the hourglass pattern of social care needs leads to extended and fragmented working-time schedules, although the further deregulation of the British context has led to a widespread use of zero-hour contracts and unpaid travel time. The remarkable similarities between our results and the abovementioned studies strengthen the idea that the sectoral effects can remain significantly strong beyond country-specific dynamics.

The finding that different dynamics shape the GPG in different sectors is also relevant from the perspective of intervention and suggests that initiatives to close the GPG should be not only general but also context-specific. CB has the potential to be a powerful tool in tackling the GPG, particularly in contexts with strong unions and coordinated sectoral-based bargaining. Initiatives in the chemical industry should aim to tackle vertical and horizontal segregation, the expansive use of “positions of trust”, and the incorrect use of certain pay concepts. In the financial sector, initiatives should aim to reduce management’s margin of discretion across the board, particularly in promotions and in non-transparent variable and unilateral retributions. In elderly care, a main target would be the revaluing of care professions by recognizing the skills and conditions of execution. Reducing the sector’s maximal working hours would limit the overuse of part-time contracts and would be highly beneficial considering the high physical and psychosocial efforts of care staff. Task diversification would facilitate fulfilling full-time working days by simultaneously reducing physical and psychosocial risks. This sector would also benefit from the deployment of recent advances in the regulation of social clauses in public commissioning in Spain, as would other sectors highly dependent on administrative contracting.

In all, parallelisms can also be drawn across sectors, enabling us to draw attention to key issues that should be approached generally in CB and/or reforms of the statutory regulation. In each of the analysed sectors, we observe, to a larger or smaller extent, horizontal segregation related to an undervaluing of women’s skills and efforts; lack of definition of criteria and transparency and wide discretionary margins in promotion processes and pay systems, resulting in vertical segregation and pay biases; and working-time pressures negatively impacting women, especially as they are in charge of domestic and care responsibilities outside the employment sphere.
First, professional classifications are the matrices that define, value and rank jobs within organizational hierarchies and thus the first determinant of gender inequalities in pay. Job evaluations should be based on objective, neutral and non-sexist criteria and should adequately recognize the abilities, efforts and responsibilities deployed in jobs performed by women. The principle of equal pay for jobs of equal value is recognized in Article 157 of the Treaty on the Functioning of the European Union, yet this principle is rarely enforced in practice. In the Spanish context, a legal reform passed in early 2019 requires professional groups to be organized around the idea of gender equity in pay, and not only of professional equivalence, as was the case until recently. With the aim of reinforcing its practical effectiveness, the reform also establishes the criteria to be considered when delineating jobs of equal worth. Future research should target eventual developments regarding the deployment of these legal principles in collective bargaining at the sectoral and company levels.

Another mode of action would be the introduction of sectorial and intersectoral programs to revalue women’s work. This pathway appears particularly relevant in light of recent research showing that gender segregation is losing importance as a structuring factor in labour-market outcomes for women in highly skilled jobs, while it continues to lower pay substantially for women in low-skilled jobs (Brynin, & Perales, 2016).

Second, the lack of precise criteria for recruitment and promotion, the lack of regulation of selection or promotion processes, the limited access to information by the candidates and the scarce participation by the workers’ representatives constitute a set of conditions that favour gender discrimination. Even in contexts where CAs guarantee more transparency and participation, the expansive use of the concept ‘position of command’ or ‘position of trust’ allows companies to circumvent such requirements. The guarantee of the ‘organizational faculties of the employer’ in Spanish legislation facilitates the existence of spaces immune to individual and collective control around promotion processes. In this context, intervention should be oriented toward a) establishing professional career trajectories that prioritize aptitudes and capacities over professional history or seniority; b) introducing specific clauses that regulate promotion processes on the basis of criteria of transparency, merit and objective tests; c) advertising internally all promotion processes, including the post’s requisites and conditions; and d) reforming statutory regulation to guarantee individual rights to obtain relevant information on processes of recruitment or promotion.

Third, our findings show important gaps between the pay system formalized in the CA and the realized pay system (Koskinen Sandberg, 2017), either because there is a misuse or abuse of certain formalised concepts (personal supplements, job post supplements, incentives or performance-related pay) or because the company unilaterally introduces concepts not recognized in CAs (voluntary wage improvements). In fact, the distance between the formalized and the realized pay system accounts for most of the GPG in our two highly skilled sectors. This distance reflects the trend towards the expansion
of more individualised and performance-related systems of wage determination in the 1990s and 2000s and the reduced importance of job grading as a part of total remuneration (Rubery et al., 2005). In this context, CB should a) clearly define the different concepts composing the totality of the wage structure, including all types of bonuses, supplements or incentives, and establish objective and measurable criteria for their perception, paying special attention to variable retributions or ad personam supplements; b) limit the excessive role of supplements rewarding presence, long work hours, availability for employment or seniority. Moreover, it is essential to reform statutory regulations to introduce specific information rights on pay, for the workers’ representation as well as workers considered individually, to guarantee the individual and collective control of the GPG. In this direction, the same legal reform previously mentioned introduced (in early 2019) the employer’s obligation to keep a record of average wages and personal supplements, disaggregated by gender and professional groups, professional categories or jobs of equal worth; the reform also recognized the employee’s right to access such a register through the workers’ representation. Again, an analysis of the future deployment of such a legal obligation would be of major interest. An even more ambitious proposal to limit the individualization of wages would be to extend the scope of the principle of equal pay for jobs of equal value to individual employee relations, beyond gender differences, as is already the case in the French legal order.

Fourth, measures aimed at facilitating work-family reconciliation should not rest fundamentally on working-time reductions or leaves of absence, which are basically taken up by women, to the detriment of their careers and wages. Instead, CB should favour the introduction of mechanisms of adaption (flexible schedules, continuous working hours, telework) and of rationalization of working time. Despite the difficulties of applying these types of measures in production work or customer-based services, more flexible management of working time could still be facilitated by favouring functional polyvalence and swaps between employees. The exclusion of workers enjoying reconciliation measures from the application of irregular working hours is an example of a good practice introduced in the CA of the chemical industry.

Findings have also shown that affirmative action measures are still very much underdeveloped in CB. The few CAs that introduce them only set recommendations that are rarely applied at the company level. Moreover, given the proven importance of job evaluation from a gender perspective for the establishment of professional classifications and pay policies, it would be essential to extend the obligation to negotiate to affirmative action measures and to the systems of professional classification and pay in the Spanish context.

In all, the findings highlight that there are often important differences between regulations on paper and actual practices at the company level; thus, the role of trade unions in controlling and enforcing compliance is vital. While the focus of our recommendations has been on CB and statutory regulations, it should not be forgotten that public policies favouring co-responsibility in domestic and care work remain essential to
address a basic source of gender inequality impacting the GPG. Finally, while the focus of this study has been on sectoral dynamics, the study of specific companies suggests that organizational dynamics are also significantly operating within sectors and will arguably be stronger in contexts where regulation at the sectoral level is inexistent. Future research could deepen the understanding of such organizational differences and how they may be linked with specific patterns of WO, strategies of labour force management, organizational cultures or actor coalitions.

References


List of Acronyms Employed in this Paper

<table>
<thead>
<tr>
<th>CA</th>
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<tr>
<td>CB</td>
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<td>Gender Pay Gap</td>
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